

# DEPARTMENT OF LABOR EMPLOYER NEWSLETTER

**OUR MISSION**  
*is to enhance the  
South Dakota  
workforce by  
providing businesses  
with employment-  
related solutions and  
helping people  
with job placement  
and career  
transition services.*



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## Employers Can Expect UI Surcharge

Impacts of the current recession will cause an employer surcharge to trigger Sept. 30, 2009. The surcharge is a permanent part of South Dakota law and automatically kicks in when the Unemployment Insurance (UI) Trust Fund balance reaches low levels.

The Trust Fund is projected to have a \$2 million balance on Sept. 30, causing a surcharge of 1.5 percent. The surcharge is in addition to any other unemployment contributions paid by employers.

The surcharge will be effective Oct. 1 and be assessed on taxable wages paid from Oct. 1, 2009 through Dec. 31, 2009. The taxable wage base for 2009 is the first \$9,500 paid to workers in the calendar year. The maximum payment on 2009 wages will be \$142.50 per worker and be due by Jan. 31, 2010. This will raise about \$3.5 million in revenue for the Trust Fund.

The Department of Labor predicts the Trust Fund balance to end the year at a negative \$6.6 million compared to

the \$25.5 million balance at the end of 2008.

The surcharge of 1.5 percent is expected to remain in effect the first two quarters of 2010. Employers will pay the surcharge on a \$10,000 taxable wage base for all employees in 2010. The maximum payment on 2010 wages will be \$150 per worker. An additional \$32.6 million will be raised for the Trust Fund in the second and third quarters of 2010.

The surcharge is not paid by employers such as government entities and non-profits that self-insure their UI costs. ●



# Profiled UI Recipients Receive Intensive Case Management

The Re-Employment Services Program has been working with dislocated workers to help them return to the workforce. Individuals receive direct job referrals and are given assessments by interests, abilities and needs for training.

A customized Re-Employment Services plan is then created for each individual. It may include job referrals, aptitude testing, workforce training, career counseling or job search skills improvement in a Job Search Assistance Program (JSAP).

Because all job seekers in this program are unemployment insurance (UI) claimants, they have a strong incentive to participate and remain eligible for UI benefits.

The training choices for dislocated workers have been expanded by recent cooperation with the state's four technical institutes (Mitchell Technical Institute, Lake Area Technical Institute in Watertown, Southeast Technical Institute in Sioux Falls and Western Dakota Technical Institute in Rapid City) and the Regional Technical Education Center in Yankton.

By contracting with DOL, these organizations have initiated short-term training programs running from two weeks to 12 weeks in fields such as truck driving, welding and computerized machining. Other training options include basic skills training, available from the Career Learning Centers, or long-term studies (up to 24 months) for jobs such as pharmacy technician, LPN or energy technician.

The Re-Employment Services Program also has the option of placing dislocated workers in work experiences or on-the-job training situations. Both options are increasingly popular. ●



## New Online UI Tax Reporting System Created

The Department of Labor (DOL) introduced a new unemployment insurance (UI) online tax reporting system for the first quarter 2009 reporting period. It is available at [sdwagereport.com](http://sdwagereport.com). Approximately 9,000 employers, or nearly 40 percent, file their unemployment tax reports online.

The new system, available 24/7/365, brings many enhancements as a result of user feedback. Users can now:

- Select a banking date to submit EFT payments.
- File reports for more than one account under one user name.
- File quarterly wage reports for previous quarters.
- Upload file transfers from payroll

programs and save the file layout from one quarter to the next more conveniently.

- Receive quarterly email reminders.
- View and print past reports previously filed online.
- View basic account information, including rates.
- View and change account and contact information at any time.
- Report large numbers of employees online.

In addition, the new system allows DOL to process information submitted online more accurately and reduce the time it takes to process wage credits for individuals filing claims for UI benefits. ●



# National Career Readiness Certificates Launched in South Dakota

The Department of Labor (DOL) is rolling out the National Career Readiness Certificate (NCRC). This portable, assessment-based credential is used by employers across the United States to verify an individual has core employability skills in three essential areas, Reading for Information, Applied Mathematics and Locating Information.

The NCRC utilizes the WorkKeys® developed by ACT, Inc., a worldwide authority in educational measurement and research. The system includes a research component that analyzes the critical tasks required by hundreds of occupations and identifies the WorkKeys skills needed to perform those tasks. Individuals with higher skill levels are qualified for success in more jobs. Certificates are awarded at four levels—platinum, gold, silver and bronze.

The NCRC provides individuals, employers and businesses with an easily understood and universally valued approach to documenting the attainment of workplace skills that are relevant to the broadest range of jobs.

Over the next few months, South Dakota employers can expect more applicants to present the credential when they apply for employment or during the interviewing process. DOL encourages employers to recognize the credential as a means of identifying the best candidates for employment and ensuring higher returns on every new employee.

The NCRC is a valuable tool in building a high-performance, sustainable workforce. For more information, contact Scott Kwasniewski at 605.688.4350 or Steve Almeida at 605.394.2328. ●

## ARRA UI Modernization Incentive Adopted

South Dakota can receive \$17.6 million for the Unemployment Insurance (UI) Trust Fund through modernization incentives from the American Recovery and Reinvestment Act (ARRA).

The Department of Labor (DOL) continues to closely monitor the Trust Fund and its solvency. There have been more unemployment claims in the current recession than there were in past recessions. The Trust Fund was paying out as much as \$800,000 in UI benefits a week in September.

South Dakota was the first state in the nation to change its law and receive \$5.9 million in ARRA funding on April 3. To qualify, states must adopt an alternative base period that is used to calculate unemployment benefits for displaced workers.

Fifteen states have received funding through this option.

To receive the other two-thirds of the federal stimulus funding, states must expand unemployment benefits in two of four categories. The remaining \$11.7 million is available to South Dakota until August 2011.

A decision on acceptance of the funding has not been made. Currently, both DOL and the UI Advisory Council are studying the potential impact and associated costs. Public input is being sought at the next Council meeting to be held Oct. 8 in Pierre to determine which options South Dakota could adopt. The Council is tasked with making a recommendation to the governor and 2010 South Dakota Legislature. ●

## Employers Should Prepare for H1N1 Flu

Businesses and employers play a key role in protecting employees' health and safety, as well as in limiting the negative impact of influenza outbreaks on the individual, the community and the nation's economy. The state Departments of Labor and Health encourage employers to plan and prepare for the potential impact on their operations.

The federal Center for Disease Control and Prevention has issued updated H1N1 guidance specifically for businesses at

<http://www.cdc.gov/h1n1flu/business/guidance/>. The guidance recommends businesses implement common sense measures to reduce the risk of spreading the flu, such as regular and frequent hand washing and routine cleaning of commonly touched surfaces.

Employers should also encourage workers who are sick to stay home and promote seasonal flu vaccination as well as H1N1 vaccination when that vaccine becomes available. Vaccination

is particularly important for higher-risk individuals, such as pregnant women and those with underlying health conditions.

Employers need to be prepared but remain flexible. Plans and recommendations could change as the extent and severity of the outbreak changes. While it is not possible to stop H1N1, working together, death and illness in South Dakota can be minimized and social disruption reduced. ●





**FOR WORKFORCE SERVICES AND INFORMATION, VISIT ANY ONE OF OUR 19 LOCAL OFFICES  
OR GO ONLINE TO [www.sdjobs.org](http://www.sdjobs.org).**

## LOOKING FOR WORKERS?

# DOL Can Assist Your Business

The Department of Labor (DOL) has a variety of services to help employers find quality workers, including an online job database called SDWORKS.

Through its network of 19 local offices statewide, DOL staff can help write effective job descriptions, post openings online, screen and refer candidates, schedule interviews and even provide the interview space.

Self-service is available by registering online with SDWORKS at [www.sdjobs.org](http://www.sdjobs.org). Employers then can start posting openings, which takes about 10 minutes. In addition, the employment listings receive free national exposure through DOL's affiliation with Job Central ([www.jobcentral.com](http://www.jobcentral.com)).

Applicants represent all occupational backgrounds, from clerical and production workers to managerial and professional employees. DOL also works closely with the state's colleges, universities and technical schools, so businesses have access to recent graduates.

DOL staff will screen applicants and refer only those who are best qualified, saving employers time. Employers can expect an average of 34 quality

candidates per job opening. Those using DOL services fill their job openings in about three days.

Local DOL offices also offer job training programs that can pay up to half of new employees' wages while they learn the job or specialized skills. Businesses can also earn tax credits when individuals are hired from certain target groups under the Work Opportunity Tax Credit program. ●

